



National Credit Union Administration
1775 Duke Street
Alexandria, Va. 22134
www.ncua.gov

Office of Public &
Congressional Affairs
(703) 518-6330
pacamail@ncua.gov

NCUA Media Release

NCUA Places Chetco Federal Credit Union into Conservatorship

Member Deposits Insured up to \$250,000, Member Services Uninterrupted

ALEXANDRIA, Va. September 23, 2011 – The National Credit Union Administration (NCUA) today assumed control of service and operations at Chetco Federal Credit Union of Harbor, Ore. While continuing normal member services, NCUA will work to resolve issues affecting the institution.

Deposits at Chetco Federal Credit Union remain federally protected. Administered by NCUA, the National Credit Union Share Insurance Fund (NCUSIF) continues to insure individual accounts at Chetco Federal Credit Union up to \$250,000. The NCUSIF, like the FDIC's Deposit Insurance Fund, has the backing of the full faith and credit of the U.S. Government.

Chetco Federal Credit Union is a community chartered credit union serving Coos and Curry Counties, Ore., and Del Norte County, Calif. Assets were reported at \$333 million as of June 30. Service to Chetco Federal Credit Union's 32,435 members will continue uninterrupted. Members can continue to conduct normal financial transactions—deposit and access funds, make loan payments, and use shares.

The decision to conserve a credit union enables the institution to continue regular operations with expert management in place, correcting previous service and operational weaknesses. During conservatorship, members may therefore continue to conduct business at the credit union.

The Federal Credit Union Act authorizes the NCUA Board to appoint itself conservator when necessary to conserve the assets of a federally insured credit union, protect members' interests, or protect the NCUSIF. Chetco Federal Credit Union is the tenth federally insured credit union placed into conservatorship during 2011.

Members who have questions about the conservatorship may review the Chetco Federal Credit Union Frequently Asked Questions document attached to this release.

NCUA is the independent federal agency created by the U.S. Congress to regulate, charter and supervise federal credit unions. With the backing of the full faith and credit of the U.S. Government, NCUA operates and manages the National Credit Union Share Insurance Fund, insuring the deposits of more than 91 million account holders in all federal credit unions and the overwhelming majority of state-chartered credit unions.

- NCUA -

Chetco Federal Credit Union Frequently Asked Questions

Is my money safe and secure?

Yes, member accounts at Chetco Federal Credit Union remain safe and fully insured up to the maximums established in federal law.

The National Credit Union Share Insurance Fund (NCUSIF) insures individual accounts up to \$250,000 and joint accounts up to \$250,000 per member. The NCUSIF also separately protects IRA and KEOGH retirement accounts up to \$250,000.

The Share Insurance Estimator (<http://webapps.ncua.gov/ins/>) allows individuals to estimate their share insurance coverage. Once an individual inputs the required data, the Share Insurance Estimator produces a report with detailed explanations of insurance coverage.

Members with additional questions about their insurance coverage may contact the **National Credit Union Administration's Consumer Assistance Center toll free at 800-755-1030**. The center answers calls Monday through Friday between 8:00 a.m. and 6:00 p.m. Eastern Daylight Time. Individuals may also visit the <http://mycreditunion.gov/> website (<http://www.mycreditunion.gov/protect-your-savings/is-my-money-safe.html>) at any time for more information about insurance coverage.

What is the current status of Chetco Federal Credit Union?

The National Credit Union Administration (NCUA) placed Chetco Federal Credit Union into conservatorship Sept. 23, 2011.

In conservatorship, NCUA's priority is to protect the assets of the members of Chetco Federal Credit Union while working to maintain safe-and-sound credit union operations.

What is the National Credit Union Administration?

An agency of the federal government, NCUA, among other things, operates and manages the NCUSIF. The NCUSIF insures accounts at all federal credit unions including Chetco Federal Credit Union.

What is a conservatorship?

A conservatorship means that NCUA has assumed control of a credit union in order to ensure a credit union's financial stability and safe-and-sound operation. In a conservatorship, NCUA works to address issues related to a credit union's operations and financial condition while maintaining member service.

Can I still conduct business at Chetco Federal Credit Union?

Yes, Chetco Federal Credit Union will remain open during the conservatorship.

What are NCUA's plans for operations at Chetco Federal Credit Union?

Through a conservatorship, NCUA seeks to fix operating issues at a credit union with a goal of protecting member assets and seeking a resolution to identified problems.

How many members and branches are affected by the conservatorship?

Chetco Federal Credit Union operates in 8 locations, and service to the credit union's more than 32,000 members continues.

What is the field of membership for Chetco Federal Credit Union?

Coos and Curry Counties in Oregon, and Del Norte County in California.

How big is Chetco Federal Credit Union?

The credit union has approximately \$333 million in assets according to its most recent Call Report.

How long will this conservatorship last?

In working to resolve the issues affecting Chetco Federal Credit Union, NCUA's top priority is to protect the interests of the credit union's members. NCUA has no set timeframe for completing this resolution process.

What are NCUA's plans for the future of Chetco Federal Credit Union?

NCUA has made no decisions about the long-term future of the credit union. Continued credit union service for the members, however, is a priority.